#### UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 108th Congress 1

[Date approved: March 18, 2004]<sup>2</sup>

Bill No. and sponsor: H.R. 929 (Mr. Isakson)

Proponent name, location: Colorchem, Inc.
Atlanta, GA 30350

Other bills on product (108th Congress only): none

Nature of bill: temporary duty suspension through 12/31/2007

Retroactive effect: none

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

1,8-Dichloroanthraquinone (CAS No. 82-43-9) (provided for in subheading 2914.69.90)

Check one: X Same as that in bill as introduced
\_\_\_\_ Different from that in bill as introduced (explain differences in Technical comments section)

#### Product information, including uses/applications and source(s) of imports:

The chemical, 1,8-dichloroanthraquinone, is a raw material for the production of Solvent yellow 163, a dye used by companies such as GE, Dow, and Bayer to color engineering plastics (e.g., acrylonitrile-butadiene-styrene (ABS), polycarbonate and acrylic). A principal use of Solvent yellow 163 is to color automotive turn-signal lenses. Colorchem has manufacture the solvent dye at a facility in Fort Mill, South Carolina for more than 15 years and is believed to be the sole U.S. manufacturer. Colorchem imports its supply of 1,8-dichloroanthraquinone from Chinese sources. There is reported to be at least 2 manufacturers in China producing this material, as well as one in India. All former producers of this chemical in Europe and the Americas have ceased production.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Eric Land (202-205-3349); Tariff Affairs contact: Dave Beck (202-205-2603).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://www.usitc.gov/billrpts.htm">http://www.usitc.gov/billrpts.htm</a> Access to a paper copy is available at the Commission's Law Library (202-205-3287) or at the Commission's Main Library (202-205-2630).

#### **Estimated effect on customs revenue:**

HTS subheading: 2914.69.90								
	2004	2005	2006	2007	2008			
Col. 1-General rate of duty (AVE) <u>1</u> /	5.5%	5.5%	5.5%	5.5%	5.5%			
Estimated value dutiable imports	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000			
Customs revenue loss	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500			

<sup>1/</sup> The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

Source of estimated dutiable import data: Industry estimates.

### Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
Colorchem. Inc. Steven Printz, President (ph) 770-993-5500, (fax) 770-993-4780, e-mail: sjprintz@colorchem.com	2/11/2004	No	No	No
Fanwood Chemical, Inc Jim DeLisi (ph) 908-322-8440 e-mail: jdelisi@fanwoodchemical.com	2/18/2004	No	No	No

### **Technical comments:**<sup>3</sup>

none

<sup>&</sup>lt;sup>3</sup> The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

# H. R. 929

To suspend temporarily the duty on 1,8 Dichloroanthraquinone.

## IN THE HOUSE OF REPRESENTATIVES

February 26, 2003

Mr. Isakson introduced the following bill; which was referred to the Committee on Ways and Means

# A BILL

To suspend temporarily the duty on 1,8 Dichloroanthraquinone.

	Diemoroantin aquinone.							
1	Be it enacted by the Senate and House of Representa-							
2	tives of the United States of America in Congress assembled,							
3	SECTION 1. 1,8 DICHLOROANTHRAQUINONE.							
4	(a) In General.—Subchapter II of chapter 99 of							
5	the Harmonized Tariff Schedule of the United States is							
6	amended by inserting in numerical sequence the following							
7	new heading:							
	" 9902.29.09 1,8 Dichloroanthraquinone (CAS No. 82–43–9) (provided for in subheading							

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies with respect to goods entered, or
- 3 withdrawn from warehouse for consumption, on or after

4 the 15th day after the date of the enactment of this Act.

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